

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:940
ANSWERED ON:01.03.2000
REVIEW OF STEEL SECTOR
ANANTRAO GUDHE

Will the Minister of STEEL be pleased to state:

- (a) whether the Government have recently reviewed the performance of Steel Industry in public and private sector in terms of targets sets;
- (b) if so, the details thereof;
- (c) the details of major policy, decision taken in the recent past/under consideration to boost the sagging performance of steel sector; and
- (d) the details of progress and investment made/proposed to be made for modernisation of steel PSUs, PSU-wise in general and structural revamp for SAIL in particular?

Answer

MINISTER OF STATE FOR STEEL (SHRI DILIP RAY)

(a) & (b): The Government have recently reviewed the performance of Steel making PSUs viz Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL). The actual production of saleable steel of SAIL during April-September 1999 was 99% of the MOU target. The production of saleable steel of RINL during the first quarter of the current financial year was 95.5% of the MOU target. As far as the private sector is concerned, no review is being taken for them.

(c) The Govt. have taken several policy decisions in the recent past to boost the performance of steel sector. These include:

- Orienting product-mix to suit the market requirements and adjusting production in tune with change in the market demand.
- Developing and nourishing long term customers relationship by entering into MOUs/supply arrangement with the customers.
- A 'Steel Exporters Forum' has been set up to help steel exporters to overcome bottlenecks in exports.
- To boost the demand and consumption of steel, the Development Commissioner for Iron and Steel (DCI&S) has launched a National campaign for increasing the demand for steel, especially in non-traditional sectors such as rural and agro based industrial sector.
- Rationalisation of Duty Entitlement Pass Book (DEPB) rates for steel exports have been carried out to boost exports.
- An Empowered Committee has been set up to examine & assist specific Research & Development Projects to improve technology for Steel making & enhance quality of Indian Steel.

(d) The modernisation of SAIL plants has just been completed and RINL is a modern plant. Government has approved the financial and business restructuring package for SAIL, which includes waiving of loans of Steel Development Fund, extending guarantees for raising of funds by SAIL for meeting expenses on Voluntary Retirement Scheme and for meeting repayment obligation on past loans, initiation of the process of disinvestment and conversion of IISCO into a joint venture with SAIL.